

**MONTANA AERONAUTICS BOARD
TELECONFERENCE MEETING
2630 Airport Road, Helena, MT
June 11, 2019**

Aeronautics Board

Tricia McKenna, Board Chair
Robert Buckles
Dan Hargrove
Bill Hunt, Jr
Roger Lincoln
John Maxness
Walt McNutt
Tom Schoenleben
Jeff Wadekamper

Department of Transportation

Tim Conway, MDT Aeronautics
Wade Cebulski, MDT Aeronautics
Matt Lindberg, MDT Aeronautics
Effie Benoit, MDT Aeronautics
Carol Grell-Morris, MDT Legal

Call to Order

Chair McKenna called meeting to order at: 9:09 a.m.

There were no discussion or changes to the January or March minutes as presented.

Walt McNutt made a motion to approve the January and March minutes as presented. Bill Hunt seconded the motion, which passed unanimously.

Public Comment

Chair McKenna asked for public comment, which there was none.

FY19 Grant/Loan Extensions - Matt Lindberg, Aeronautics Aviation Support Officer

- Cut Bank requested an extension for a \$2,275 grant and a \$37,538 loan due to issues with their paperwork. The FAA grant and the official sponsor of the airport is the City of Cut Bank and Glacier County, however the Loan Resolution and the Certificate of Sponsor's Attorney was completed as the Cut Bank Airport Authority. Aeronautics is waiting for the correct paperwork to be filed and one of the signing parties is currently out of the country.
- Ennis requested an extension for a \$30,988 grant due to a delay with the FAA with the environmental assessment for the project.

Jeff Wadekamper made a motion to approve the grant and loan extension requests. Walt McNutt seconded the motion, which passed unanimously.

FY18 Circle Extension Request Update - Wade Cebulski, Aeronautics Bureau Chief

Circle had an approved extension that expires June 30, 2019. However Circle is still waiting on an environmental assessment with the FAA for one of the projects for at least another year. Circle choose to proceed with a request for the grant funds on the eligible projects and reapply for the project associated with the environmental assessment once it is under way.

Pavement Preservation Final Distribution to Comply with HB661 - Effie Benoit, Aeronautics Division

House Bill 661 sunsets the pavement preservation program effective on 7/1/19. What that means is that all funds must be distributed by 6/30/19 so that on 7/1/19 the fund is at a zero balance. At the January Board meeting there was a motion to distribute a specific dollar amount of pavement preservation funds. It is requested that the board make a second motion to distribute all funds in that account to the primary airports to zero out the fund and comply with House Bill 661. The final distribution is projected to be approximately \$130,000 to be split among the primary airports.

Roger Lincoln made a motion to distribute all remaining pavement preservation funds among the primary airports.

Bill Hunt seconded the motion, which passed unanimously.

Jeff Wadekamper and Walt McNutt recused themselves from the vote as they are recipients of the pavement preservation distributions.

January 2020 Meeting for FY2021 Awards: Discuss Grant Fund Limit - Tim Conway, Aeronautics Division Administrator

As a result of House Bill 661 and some historical anomalies, there are two opportunities for the Board next January. This first is what is being called a “bubble” where there could be a distribution of about \$2.5 million dollars in grants funds and then a leveling out of about \$1.5 million in future years. The second option is for the Board to distribute a level amount at about \$1.9 million dollars each year. These amounts are estimates based on the assumption that there will not be any anomalies and aviation fuel sales remain at the same historic levels. MDT will perform a public outreach campaign to reach the smaller airports that do not have engineering firms to make them aware of the increased amount of grant funds available.

Bill Hunt made a motion to make a large distribution of grant awards for the FY2021 distribution and then reduce the award to a sustainable level in future years.

Tom Schoenleben seconded the motion, which passed unanimously.

Proposed Administrative Rule Revisions - HB661 - Carol Grell-Morris, MDT Legal

Carol Grell-Morris reviewed the proposed Administrative Rule changes that are required to support House Bill 661 and the process to make the rule changes.

Walt McNutt made a motion to approve the proposed rule changes as presented and initial the formal rule-making process.

Roger Lincoln seconded the motion, which passed unanimously.

Aeronautics Financial Status Update - Tim Conway, Aeronautics Administrator

In January of 2018 at the Aeronautics board meeting it was presented that Aeronautics budget was about one million dollars and that expenditures would be exceeding revenue in fiscal year 2020. Early in 2019 based on aviation fuel sales, financial demands would just barely be met in coming years. House Bill 661 allows Aeronautics to be financially stable and reinstate programs or perhaps create new programs.

Aeronautics Staff Update - Tim Conway, Aeronautics Administrator

Jeremy Gouley, the Safety and Education Bureau Chief terminated employment with Aeronautics on March 1, 2019. Matt Lindberg has been selected as the new Safety and Education Bureau Chief effective June 8, 2019. Matt will be helping out the Airports & Airways Bureau doing airport inspections for a while since we are behind in the inspections. The Aviation Support Officer vacancy is currently being advertised and will close in approximately a week.

Jeff Heaney the Airfield Maintenance Technician at the Yellowstone Airport has announced his retirement effective at the end of June 2019. The Yellowstone Airport is looking to hire a short-term worker for the remainder of the current operating season while working out the details for a more permanent solution.

MDT is undergoing a reorganization effort to improve efficiency and services to the public and provide consistency among divisions. MDT has been split at the Deputy Director level with Pat Wise, the Deputy Director, overseeing Aeronautics, Motor Carrier Services, Administration, Information Services, and Human Resources. Kevin Christensen has been selected as the Chief Operating Officer and will oversee Engineering, Planning, Maintenance and the District Offices. There should not be a negative effect to Aeronautics and possibly be a positive effect as Pat Wise will not be stretched over the entire agency and can focus on a smaller section of the agency.

Airport Audit Report (Columbus, Forsyth, and Yellowstone) - Wade Cebulski, Aeronautics Bureau Chief

The Yellowstone Airport had no findings. The MDT Audit Team has not finished the Columbus or Forsyth audits.

MDT Audit has found that due to the FAA process, there was little risk of misappropriation of grant funds on federally funded projects and suggested that federally funded projects not be included in future audits. Aeronautics staff feels that there is value to auditing federally funded projects and requested that MDT Audit continue to include federally funded projects in their audit schedule.

FAA Supplementary Funding Awards - Tim Conway, Aeronautics Division Administrator

Montana did not get any of the first round of FAA federal supplementary funding that was part of the OMIBUS Bill of 2018 where the FAA funded projects at 100%. The second round of FAA federal supplementary funding does require a local match. Three Montana airports received that funding. Ennis received \$9.326 million, Hamilton received \$11.8 million, and Roundup received \$3.876 million.

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The first round of Airport Improvement Program funding was awarded with Fort Benton receiving an award of \$4.175 million and Yellowstone receiving an award of \$413,000.

2019 Aviation Conference Update - Effie Benoit, Aeronautics Division

The Conference did quite well overall considering the frigid weather and the large amounts of snow in the days preceding the conference. The attendance was about 150 less than normal with about 100 people preregistering that did not show and about 50 people that did not register that attended anyway. The overall comments were positive being in a new location with a few negative comments about being away from the airport and not being in town. Attendees really enjoyed the hot tubs; the conference earned a profit and it seemed like everyone enjoyed themselves. The 2020 conference will be in Great Falls at the Heritage Inn February 27 through 29, 2020.

Next Meeting

The Aeronautics Board will hold a teleconference meeting on August 13, 2019 at 9:00 a.m. to adopt Administrative Rule Changes.

The Annual Grant and Loan Award meeting is scheduled for January 15-16, 2020 in Helena. The meeting will begin at 1:00 p.m. on the 15th and 8:00 a.m. on the 16th. There will be training for new board members and a refresher for long-standing board members at 11:00 a.m.

Tricia McKenna, Chairman

Roger Lincoln, Secretary